

This agreement made and entered into this 28 day of May 1975 by and between the Wasatch Railway Museum and Foundation, Inc. Here and after called the museum of Heber City, Utah and the Heber Creeper Inc., here and after called the Company of Heber City, Utah.

This agreement superceeds all past agreements, both written and oral, made between the museum and company.

WHEREAS, the museum either owns or has leases on certain railway equipment, WHEREAS, the company desires to lease said equipment to operate a scenic excursion Railway train from Heber City down Provo Canyon to Bridal Vail Falls, over state owned and leased trackage WHEREAS it will be for the mutual intrests of the two parties to enter into a lease agreement of the railroad equipment, parts and supplies of the lessor;

NOW THEREFORE it is mutually agreed between bpth parties as follows:

1. The museum hereby leases to the company for a period of time equal to the lease to be obtained by the company from the state of Utah all of the railroad equipment, parts and supplies shown on exhibit "A" which is attached hereto and made a part of said lease.

2. There will be a guaranteed minimum rent payment of \$6,500 for each year. There will also be an additional 10% of the net profit derived from the operation of the railroad.
3. The guaranteed minimum lease payment is to be paid within 30 days after the general closing of the yearly operating season and absolutely no later than the 5th of October of each year.
4. The additional rent payment based upon the net profit will be paid at the same time and schedule that dividends are paid to the company stock holders each year.
5. From the date of this new lease the museum will pay all of its own bills and the company is not to place any indebtedness or any pre-paid expenses or costs against the museum what-so-ever. The museum will pay all of its own cost in relation to the movement of any new museum owned equipment to the museum site in Heber Valley.
6. The company agrees to dissolve all past pre-paid monies from the old prior lease agreement.
7. The museum agrees to credit the past use of equipment listed under the old lease agreement to equal the old pre-paid lease monies so that from _____ day of _____ 1975 the two amounts cancell out each other.
8. The company agrees to maintain all equipment covered by this lease in good servicable condition which

which must meet all state and federal operational safety requirements. The equipment will be kept painted at company expense. The company agrees to start said maintenance up-keep from the time said lease equipment is placed into service by the company.

9. It is further agreed that the members of the museum shall have first option to any job that pays monetary compensation if they demonstrate equal or better ability or skill as compared to any other person who may seek said employment.
10. It is further agreed that a minimum of three members of the museum organization shall be on the board of the operating railroad company.
11. The company agrees to make no attempt whatsoever to obtain ownership of equipment either loaned to or leased by or owned by the museum.
12. The company agrees to provide full legal liability insurance on all equipment leased or used which belongs to the museum. It further agrees to hold the museum blameless in the use of said equipment at all times. The company agrees to provide full value loss insurance on said leased equipment at no cost to the museum.
13. The company further agrees to provide at no cost to the museum a site for a physical plant facility to consist of ample storage and display sidings which are connected to the main line and located convenient and near to the Heber depot for the

museum to use for the display for its own equipment in order to accomplish its own museum objective goals and educational purposes to meet the criteria requirements of its Utah State granted charter.

14. The museum has the right to bring new and additional display railroad equipment to the valley. Such new museum equipment must be approved by a 2/3 vote of both museum and company board of directors. Any new museum equipment will be transported at museums expense.
15. The company will pay for perpetual upkeep on all museum equipment used by the company. Any new equipment not used by the company which is there strictly for museum preservation and display purposes will be maintained at museum expense.
16. The museum has the right to inspect all of their operated leased equipment at any time to certify that the equipment meets all state and federal safety requirements.
17. The company agrees that all operating personnel meet all state and federal work standards in regards to being completely trained and skilled to safely operate said leased equipment.
18. The company agrees that museum approved personnel who have been properly certified by Utah State public service commission requirements can be trained on the operated leased equipment to become competent locomotive engineers, fireman and trainmen.

19. The museum has the option to construct a building on company leased ground at its own expense and to physically house a display of railroad artifacts to be open to the general public. The museum has the right to either charge admission to said facility or to allow free admission at its own discretion. This building will be located at the Heber Depot facilities. This structure will not be larger than 1 and $\frac{1}{2}$ times the existing depot building at Heber.
20. The museum has the right to fully advertise itself and its facilities in Heber Valley through all media and has the right to sell minor commercial items from said facilities.
21. The museum has the right to place equipment ownership plaques either metal or simply painted onto its leased railcar and locomotive equipment used by the company. Plaque sizes are to be maximum of 10 by 18 inches.
22. Company agrees to protect museum equipment from unauthorized disposal or removal of same from any and all leased property.
23. The company and the museum hereby mutually agree to maintain full control of the conduct of their own employees and / or members while they are working for the company. During working hours employees are to be instructed to be courteous, polite, civil and to use only proper language with no vulgarity or profanity.

In the event that the company should for any reason what-so-ever terminate operations of the railroad as a functioning business enterprise and/ or in the event they should stop payments for leases on the state owned right of way or to the museum, the company agrees not to hinder, incumber, or interfere in any way or manner what-so-ever with the museum personnell or assigned agents in their removal of all leased or museum owned and displayed railroad equipment, tools, and parts from company owned or leased property. In the event the museum should elect to remove said equipment from said leased property. The company agrees to allow company approved museum personnell to utilize company pwned equipment both leased and display items. A maintance program schedule agreeable to the company will be utilized for this purpose. The museum agrees not to interfere with the company operation procedures in any way what-so-ever. The museum intends to comply with all stipulations within this agreement in order to enhance the profit making ability of the company and will do all within its capability tofurther the aims of the Heber Creeper Inc.